IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
Income Tax Appeal No.220 of 2001.

The Commissioner of Income Tax,
Mumbai City II ..Appellant

versus

M/s. Alfa Levall India Ltd. ..Respondent.

Mr.P.s.Sahadevan for the Appellant

Mr.A.K.JOse with Mr. S.N.Inamdar for the respondent.

Coram : F.I.Rebello &
R.S.Mohite, JJ.
Dated : 11th Dec., 2007

P.C.

1. Admit on the following question of law:

i) Whether on the facts and circumstances of the case, the tribunal was justified in law in confirming the order of CIT (A) allowing 25% of the guest house expenses under Section 34(4) of the ITA even though such expenses are not liable under Section 37(4) as held by this Court in 278 ITR 546"

2. Parties agree that this issue is now covered by the judgment of the Supreme Court in Britania

Industries Ltd. v. Commissioner of Income Tax 278 ITR 546 in favour of the revenue and against the assessee.

5. Considering the above question of law as framed is answered in favour of the revenue and against the assessee. The order of ITAT in so far as this ground is concerned, to that extent is set aside and this appeal allowed in favour of the revenue. Appeal disposed of accordingly.

(F.I.Rebello, J.)

(R.S.Mohite, J.)